

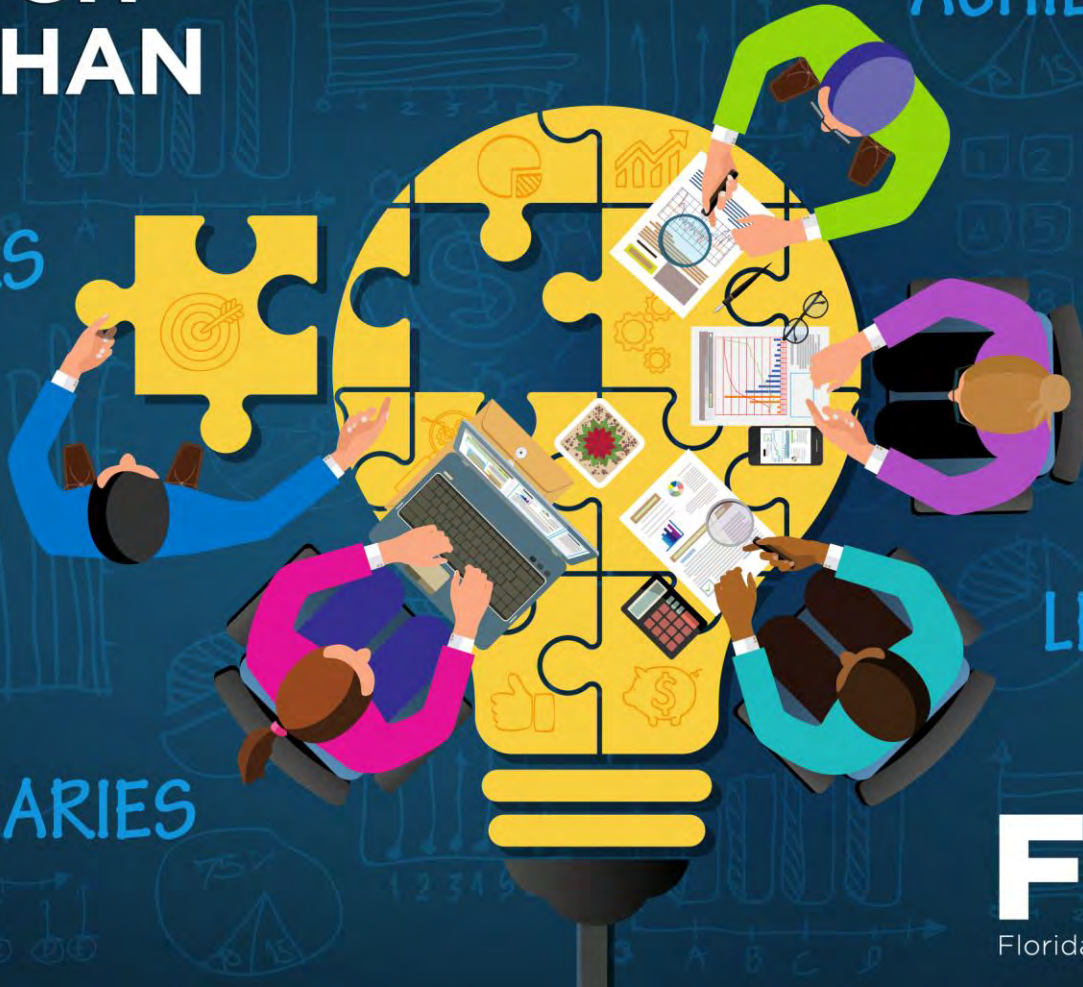
# SO MUCH MORE THAN



ACHIEVERS

INNOVATORS

ANALYSTS



LEADERS

VISIONARIES

**FSLSO**  
EST. 1998  
Florida Surplus Lines Service Office

Sheila Pearson  
Controller



## MISSION

Facilitate Compliance

## VISION

Lead and Serve Through  
Innovative Solutions

## VALUES

Efficiency and Effectiveness



# SO MUCH MORE THAN A SERVICE OFFICE



1

**Protect public revenues**

2

**Source of information relating to the Florida surplus lines market**

3

**Facilitate compliance**

# WE ARE EDUCATORS



**50hour**  
SURPLUS LINES  
PRE-LICENSING  
COURSE

The logo features a white clock face with a checkmark inside, set against a teal background. Below the clock, the text '50hour' is written in a large, bold, white font, followed by 'SURPLUS LINES PRE-LICENSING COURSE' in a smaller, white, sans-serif font.

**slice**  
SURPLUS LINES INFORMATION  
& COMPLIANCE EDUCATION

The word 'slice' is written in a large, white, lowercase font. The letter 'i' is replaced by a slice of an orange. Below the word, the text 'SURPLUS LINES INFORMATION & COMPLIANCE EDUCATION' is written in a smaller, white, sans-serif font.

**Agent Procedures Manual**

An illustration of a man in a blue suit standing next to a large tablet displaying text. He is pointing at the screen. The scene is surrounded by stacks of papers, books, and folders, with dashed arrows indicating a flow of information.

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MORE THAN**  
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# WE ARE INNOVATORS

# SLAS

84,979

Invalid credit endorsements identified by the SLAS system

Invalid credit premiums identified by the SLAS system

\$711  
MILLION

## System Compliance Programs

\$1.18

**BILLION**

Unreported Premium Identified



**GENERATED**



\$49.8

**MILLION**

Revenue Recovered

*Through Compliance Programs  
(Lifetime)*

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# WE ARE INNOVATORS

## Tax Estimator

- FLSO.com
- Mobile App
- Web Service
- SLIP



## FLSO Go Mobile App



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# WE ARE AN INFORMATION RESOURCE

## Florida Market Data

- Surplus lines premium stats by insurers and coverage types
- Insurers financial condition
- Coverage search for consumers
- Latest trends



## FSLSO PalmCast

FSLSO's podcast covering FSLSO news, industry news, special guests, and much more.



## Surplus Lines Shorts

Periodic video series covering law and administrative changes effecting the way surplus lines business is conducted.

# WE ARE LEADERS

## 2020 Customer Survey Results



100%

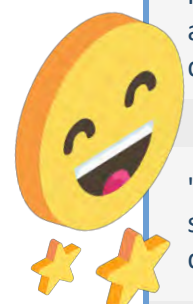
Overall Customer Service Satisfaction

99%

Overall SLIP Satisfaction

100%

Overall Batch Satisfaction



"In all my years in the business I have never dealt with a more professional and courteous staff in any insurance department like FLSO."

"No matter who I speak to I always get solid, factual information that I can depend on."

97%

FLSO.COM Usage

78%

Aware of MDRs

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# SO MUCH MORE THAN



## 2019 Organizational Results

# 2019 COMPLIANCE SCORES



**95%**  
Overall  
Industry  
Compliance

**99%**

Accuracy  
Agent Premium  
Reported Accurately

**91%**

Timeliness  
Agent Policies  
Submitted Timely

# 2019 FINANCIAL SERVICES DATA



Tax Revenue  
\$296M

Assessment Revenue  
\$1.6M

## Premium Reconciliation

Unfiled Premium  
\$70M

Revenue Recovered  
\$2.51M

## Production Ledger Review

Unfiled Premium  
\$21.49M

Revenue Recovered  
\$1.08M

## Compliance Review

420

98%

92%

Compliance Reviews

Financial Requirements

Regulatory Requirements

# 2019 COMPLIANCE REVENUE



## Operational Efficiency

\$1.00  
Operating  
Costs



\$2.80  
Compliance  
Revenue



Total  
Operating  
Costs  
\$5.97M

Compliance  
Revenue  
Recovered  
\$16.73M

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# SO MUCH MORE THAN



## 2019 Market Data

# 2019 MARKET SHARE STATISTICS

Total Florida Surplus  
Lines Premium

**\$6.57B**

Effective Date



Premium Increase  
Over 2018

**14%**

2020 Submitted  
Premium  
(1/1/20 - 6/30/20)  
**\$4.16B**



% Increase Over  
1/1/19 - 6/30/2019  
**10%**



# 2019 PREMIUM



## Total Surplus Lines Premium

\$6.57B

## New Business Premium

\$2.36B

↑ 8%

## New Business % of Total Premium

36%

↓ 2%

## Multi-State Premium

\$599M

↑ 11%

## Multi-State % of Total Premium

9%

## States with Non-Resident Agents Reporting

41

47%  
Non-FL  
Allocated

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# 2019 POLICIES

## Surplus Lines Policies

Total  
1.29M

↑ 10%



## New Business

Policies  
473K

↑ 12%

% of Total  
Policies  
37%

## Multi-State Policies

Policies  
4.7K

↑ 20%

% of Total  
Policies  
0.4%



# 2019 AGENTS

## Surplus Lines Agents

<u>Total</u>	<u>Resident</u>	<u>Non-Resident</u>
2,557	1,048	1,509
 15%	 7%	 20%

### Total Agents Reporting

1,251

### % of Agents Reporting

49%

## Resident Agents

Policies Reported  
1.01M

 11%

Premium Reported  
\$4.18B

 13%

## Non-Resident Agents

% of Agents  
59%

 3%

% Reporting  
53%

 10%



# 2019 TOP COVERAGES



#1

## Commercial Property

### Premium

\$2.25B

↑ 16%

### Policies

136K

↑ 6%

### % of Total Surplus Lines Premium

34%

### Average Premium

\$16,451

↑ 9%

#2

## Commercial General Liability

### Premium

\$1.01B

↑ 13%

### Policies

204K

↑ 2%

### % of Total Surplus Lines Premium

15%

### Average Premium

\$4,972

↑ 10%

# 2019 TOP COVERAGES



#3

## HO-3

### Premium

\$487M



8%

### Policies

155K



2%

### % of Total Surplus Lines Premium

7%

### Average Premium

\$3,149



6%

#4

## Commercial Package

### Premium

\$390M



7%

### Policies

86K



1%

### % of Total Surplus Lines Premium

6%

### Average Premium

\$4,544



7%

# 2019 TOP COVERAGES

#5

## Excess Commercial General Liability

### Premium

\$295M

↑ 28%

### Policies

15K

↑ 21%

### % of Total Surplus Lines Premium

4%

### Average Premium

\$19,759

↑ 6%



# 2019 INSURERS

## Total Surplus Lines Insurers

226

↑ 10

## New Surplus Lines Insurers

13

## Surplus Lines Insurers Removed

3

## Total Foreign Surplus Lines Insurers

155

↑ 3

## Foreign Insurers Policy %

69%

## Foreign Insurers Premium %

70%

## Total Alien Surplus Lines Insurers

71

↑ 7

## % of Insurers Actively Writing Business

87%

↑ 14%

# 2019 TOP 5 INSURERS BY PREMIUM VOLUME



#1

Insurer

**Lloyd's**  
\$1.71B

% Change from 2018

↑ 4%

Market Share

26%

#2

**Lexington**  
\$374M

↓ 11%

6%

#3

**Scottsdale**  
\$242M

↑ 14%

4%

#4

**Indian Harbor**  
\$227M

↑ 42%

3%

#5

**National Fire and Marine**  
\$195M

↑ 42%

3%

# 2019 TOP 5 INSURERS POLICY COUNT



#1

**Lloyd's**  
358K

↓ 2%

28%

#2

**Lexington**  
41K

↓ 31%

3%

#3

**Scottsdale**  
77K

↑ 13%

6%

#4

**Indian Harbor**  
22K

↑ 50%

2%

#5

**National Fire and Marine**  
37K

↑ 322%

3%

# 2020 Mid-Year Stamping Office Stats

	% Change from PY	Premium 1/1/20-6/30/20	Premium 1/1/19-6/30/19
California	7.84%	\$4,606,128,054	\$4,271,130,282
<b>Florida</b>	<b>9.65%</b>	<b>\$4,161,104,433</b>	<b>\$3,794,932,503</b>
Texas	13.41%	\$3,941,263,546	\$3,475,143,960
New York	5.73%	\$2,424,700,000	\$2,293,400,000
Illinois	12.20%	\$1,025,202,844	\$913,688,254
Pennsylvania	11.53%	\$783,547,906	\$702,563,875
Washington	29.90%	\$646,296,692	\$497,539,180
North Carolina	10.34%	\$468,077,034	\$424,222,452
Arizona	3.19%	\$363,347,118	\$352,127,819
Minnesota	2.46%	\$310,553,397	\$303,083,275
Mississippi	6.00%	\$256,048,467	\$241,560,004
Oregon	17.82%	\$251,535,831	\$213,487,017
Utah	40.29%	\$215,771,864	\$153,804,869
Nevada	3.24%	\$195,522,468	\$189,380,381
Idaho	40.16%	\$89,005,822	\$63,505,007
<b>Totals</b>	<b>10.33%</b>	<b>\$19,738,105,476</b>	<b>\$17,889,568,878</b>

Florida  
**21%**  
of total

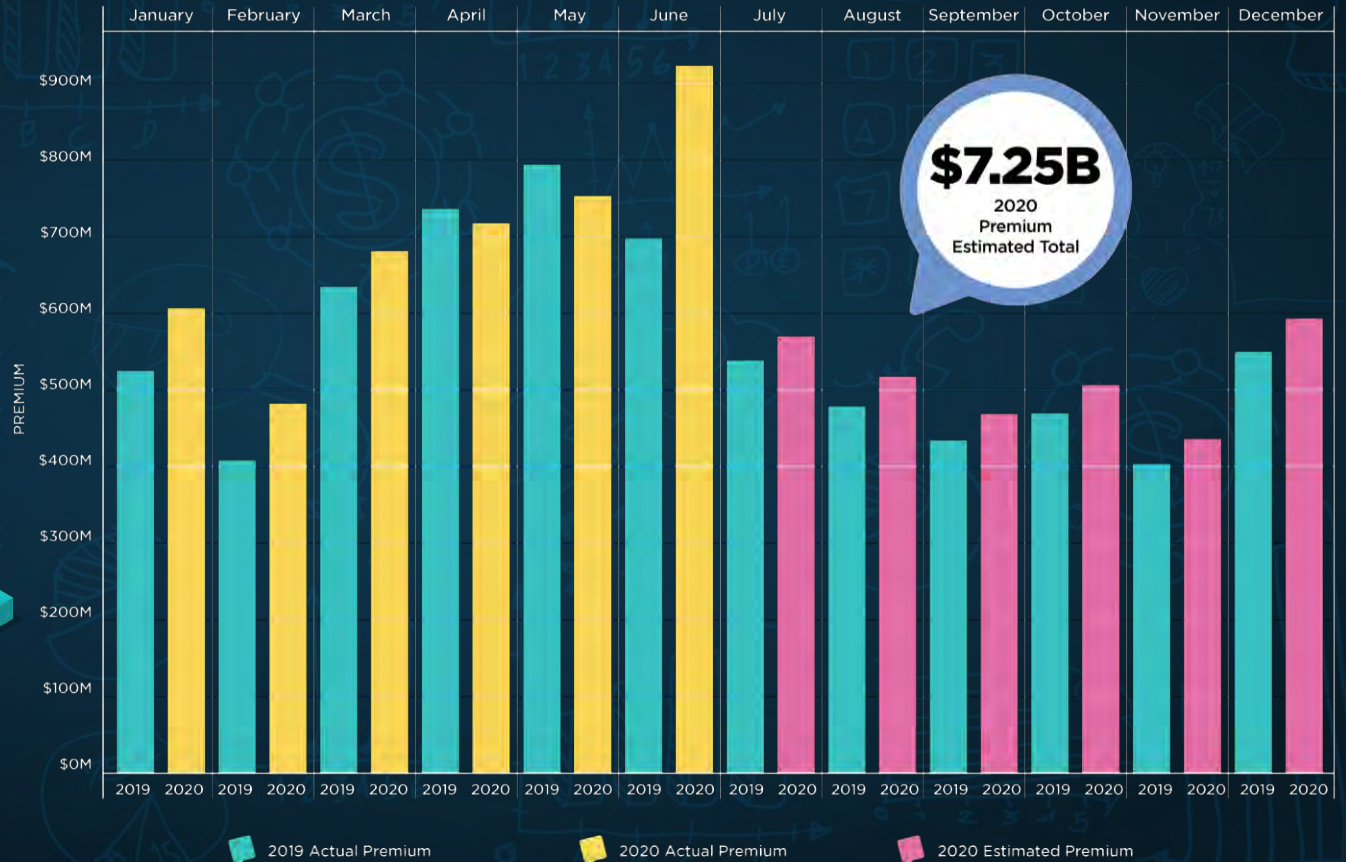


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# 2020 and Looking Forward

2020 Forecast



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# View the 2019 FLSO Annual Report



<https://www.flsso.com/publications>

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# SO MUCH MORE THAN



## THANK YOU!

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IF YOU HAVE ANY QUESTIONS,  
PLEASE FEEL FREE TO CONTACT US AT:



800.562.4496

**FSLSO**  
EST. 1998  
Florida Surplus Lines Service Office